estimated cost of Rs. 2383 crores. The Power Finance Corporation (PFC) was assigned to provide loan assistance to the State Electricity Boards (SEBs) for the R&M works. However, by the end of 8th Plan about 50% of the works could be completed mainly due to weak financial position of SEBs. After partial completion of the works, an additional generation of 5000 MUs/year has been achieved. Similarly, during the Ninth Plan programme, 191 thermal units (25856 MW) are covered under R & M and 42 units (3091 MW) are planned for life extension at 56 power stations. These works are at various stages of implementation. After completion of the programme, an additional generation of 11,000 MUs/year is expected to be achieved.

Similarly, during the Eight Plan, 8 hydro RM&U schemes were completed resulting into a benefit of additional generation of 559 MUs. During the 9th Plan, 15 schemes have so far been completed with an expected benefit of 2783 MUs.

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## WRITTEN ANSWERS TO UNSTARRED QUESTIONS

### Scrapping of second phase of coal sector modernisation

2704. SHRI JIBON ROY: Will the Minister of COAL be pleased to state:

(a) whether it is a fact that the second phase of the coal sector modernisation project with World Bank involvement has been scrapped;

(b) if so, the reasons therefor; and

(c) what was the actual capacity addition and fund utilisation in the first phase of modernisation?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI SYED SHAHNAWAZ HUSSAIN): (a) and (b) No, Sir. Coal India Limited entered loan agreements with World Bank (IBRD) and Japan Bank for International Cooperation (JBIC) for financing Coal Sector Rehabilitation Project (CSRP) to improve coal

production and maintain commercial viability of 24 profitable mines of Coal India Limited. Total loans comprised US $ 1030 million, out of which US $ 522.60 million is being utilised balance US $ 507.40 million remaining unutilised.

The World Bank did not cancel the loan Coal India Limited itself requested World Bank and JBIC for the cancellation of the balance uncommitted part of the loan because of operational reasons. After taking into account the softening of domestic interest rates and the greater flexibility available by recourse to domestic credit on the strength of its balance sheet, CIL was of the view that continuing the World Bank JBIC project finance for the unutilized portion of the loan was not in its best financial interests.

As the balance of convenience lay in agreed cancellation of the balance uncommitted facility of the World Bank and Japan Bank for International Corporation (JBIC) loan. CIL initiated appropriate steps for cancellation in consultation with Ministry of Coal and Ministry of Finance. CIL is confident of completing the projects covered by the loan from its own resources.

(c) Coal India Limited (CIL) have received the amount of US $ 456.03 millions from World Bank (IBRD) and JBIC under the CSRP as on 31.07.2000. The details of the amount utilized by subsidiary companies of CIL as on 31.07.2000 are as under:

| Company | Amount in US $ millions |
|---|---|
| CCL | 34.86 |
| MCL | 44.21 |
| NCL | 223.84 |
| SECL | 101.78 |
| WCL | 35.19 |
| TOTAL: | 439.88 |

The achievement of the production of coal from the World Bank and JBIC funded sub-projects of Coal India Limited (CIL) was as under:

*(In Million tonnes)*

| Company | 1996-97 | 1997-98 | 1998-99 | 1999-2000 |
|---|---|---|---|---|
| CCL | 4.857 | 5.084 | 5.140 | 6.160 |
| MCL | 23.985 | 25.757 | 28.307 | 27.610 |
| NCL | 27.034 | 27.143 | 26.731 | 28.840 |
| SECL | 29.706 | 30.804 | 31.925 | 34.491 |
| WCL | 9.387 | 9.398 | 8.272 | 8.821 |
| TOTAL | 94.969 | 99.186 | 100.375 | 105.922 |

**Production of coal in subsidiaries of Coal India**

2705. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of COAL be pleased to state the percentage of production of coal in subsidiaries of Coal India by open cast mining, underground mining and deep shaft underground mining?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI SYED SHAHNAWAZ HUSSAIN): The percentage of production of raw, coal technology-wise, in Coal India Limited during 1999-2000 is as below:

| | Quantity (In million tonnes) | % |
|---|---|---|
| Opencast Mining | 208.26 | 79.92% |
| Underground Mining (300 M depth) | 50.95 | 19.55% |
| Deep Shaft Underground Mining (Mines with more than 300 M depth) | 1.37 | 0.53% |
| TOTAL | 260.58 | 100% |